

**CITY OF LODI
INFORMAL INFORMATIONAL MEETING
"SHIRTSLEEVE" SESSION
CARNEGIE FORUM, 305 WEST PINE STREET
TUESDAY, SEPTEMBER 25, 2007**

An Informal Informational Meeting ("Shirtsleeve" Session) of the Lodi City Council was held Tuesday, September 25, 2007, commencing at 7:02 a.m.

A. ROLL CALL

Present: Council Members – Katzakian, Mounce, and Mayor Johnson
Absent: Council Members – Hitchcock and Hansen
Also Present: City Manager King, City Attorney Schwabauer, and City Clerk Johl

B. TOPIC(S)

B-1 "Presentation of Cost Allocation Plan by MuniFinancial Services"

City Manager King briefly introduced the subject matter.

Deputy City Manager Krueger and Marshall Eyerman with MuniFinancial provided a presentation regarding the cost allocation plan. Specific topics of discussion included MuniFinancial background, what is a cost allocation plan, building blocks of a cost allocation plan, direct costs, indirect costs, data collection, methodology, double-step down, allocation example, and overhead rate summary.

In response to Mayor Pro Tempore Mounce, Mr. Krueger stated the cost of the study was approximately \$20,000. City Manager King stated the study is significant in how it relates to water and wastewater, providing justification set in technology and science for direct and indirect costs and administrative costs, and it may also assist with federal grants.

In response to Mayor Pro Tempore Mounce, Mr. King stated the premise of the study is to justify centralized administrative costs that are charged to water and wastewater and review direct and indirect allocations in various areas, including existing redevelopment like activities. City Attorney Schwabauer stated currently the City Manager's office is spending time on redevelopment and if the costs do not come directly from redevelopment allocation, they could come from water and wastewater indirect allocations.

In response to Mayor Pro Tempore Mounce, Mr. King stated the cost allocation study has nothing to do with redevelopment and provided an overview of obligations in order to receive tax increment. Mr. King stated money can be paid back from the redevelopment agency to the City if a project area was formed.

In response to Mayor Johnson, Mr. Krueger stated the study can be adjusted on an annual basis as necessary by staff and used as a template for future budget-related purposes.

In response to Mayor Johnson, Mr. Krueger confirmed the document can live on its own and be amended by staff periodically. He also stated MuniFinancial would be available for assistance if necessary.

C. COMMENTS BY THE PUBLIC ON NON-AGENDA ITEMS

None

D. ADJOURNMENT

No action was taken by the City Council. The meeting was adjourned at 7:28 a.m.

ATTEST:

Randi Johl, City Clerk